

**Senate File 438 - Introduced**

SENATE FILE 438  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO SSB 1256)

**A BILL FOR**

1 An Act requiring the racing and gaming commission to conduct a  
2 study on exchange wagering.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. RACING AND GAMING COMMISSION — EXCHANGE  
2 WAGERING STUDY.

3 1. The state racing and gaming commission shall conduct  
4 a study concerning the possible authorization of exchange  
5 wagering, a form of wagering in which two or more persons place  
6 identically opposing wagers in a given market, as a form of  
7 pari-mutuel wagering in Iowa. The study shall consider the  
8 current state of pari-mutuel wagering in Iowa, the potential  
9 revenue impact of authorizing exchange wagering, the possible  
10 regulatory framework necessary if exchange wagering is  
11 authorized for licensees regulated under chapter 99D, including  
12 any necessary consumer protections, the manner of collecting  
13 wagering taxes for exchange wagering, and the general impact  
14 of authorizing exchange wagering as a form of pari-mutuel  
15 wagering.

16 2. In conducting the study, the commission shall consult  
17 with the Iowa horsemen's benevolent and protective association,  
18 and may consult with the horse racetrack located in Polk county  
19 and any other parties the commission deems necessary.

20 3. The commission shall submit a written report on its  
21 findings to the general assembly by December 1, 2015. The  
22 commission is not required to make specific recommendations  
23 regarding the legalization of exchange wagering in Iowa. The  
24 cost of the study shall be treated as an additional cost to the  
25 racing and gaming commission.

26 EXPLANATION

27 The inclusion of this explanation does not constitute agreement with  
28 the explanation's substance by the members of the general assembly.

29 This bill requires the state racing and gaming commission  
30 to conduct a study on the possibility of authorizing exchange  
31 wagering as a form of pari-mutuel wagering in Iowa. The  
32 bill requires the commission to consider the financial and  
33 regulatory impact of allowing exchange wagering in conducting  
34 the study. The bill requires the commission to submit a report  
35 on its findings to the general assembly by December 1, 2015.